

**U.S. House and Senate Notification**  
**Friday, June 18, 2010**

**To:** Congressional Health Staff

**From:** Amy Hall  
Director, Office of Legislation  
Centers for Medicare & Medicaid Services

**Re:** The 2010 Medicare Physician Fee Schedule

The Continuing Extension Act of 2010, enacted on April 15, 2010, extended the zero percent update to the 2010 Medicare Physician Fee Schedule (MPFS) through May 31, 2010.

On May 27, 2010, the Centers for Medicare & Medicaid Services (CMS) initially instructed contractors to hold claims for services paid under the MPFS for the first 10 business days of June. On June 14, CMS extended this hold for an additional three business days (i.e., through June 17, 2010). This hold only affected MPFS claims with dates of service of June 1, 2010 and later.

The CMS today directed contractors to lift the hold and begin processing June 1 and later MPFS claims under the law's negative update requirement. Held claims will be released and processed on a flow basis, first-in/first-out.

Congress continues to debate the elimination of the negative update that took effect June 1, 2010. The CMS is hopeful that Congressional action will be taken to avert the negative update. We continue to monitor Congressional actions, and if Congress changes the negative update that is currently in effect, we are prepared to act expeditiously to make the appropriate changes to Medicare claims processing systems.

Please contact the CMS Office of Legislation at (202) 690-8220 if you have any questions.

Thank you.